

1 August 2007

Cheerful Scout Plc ('Cheerful' or 'the Company')
Joint Venture

Cheerful Scout Plc, the AIM-traded multi media specialist, has formed a new company, Business Data Interactive ('BDI'), in a joint venture with Apperly & Associates Limited ('A&A'), to take advantage of opportunities in the fast-growing Business Intelligence market. By combining both companies' technology and skills, BDI will provide powerful, fully-integrated computer software programmes to analyse and display business data.

Under the terms of the agreement, Cheerful, which will own 60% of BDI, will invest £200k and licence the intellectual property ('IP') for its proprietary visualisation software package, nVision Strategy, to the new business. This software converts business data into real-time, 3D video graphics. A&A will licence the IP for its own Business Intelligence Engine to the new business bringing sophisticated analytics and advanced data mining capabilities to the product offering. The combined Business Intelligence package will enable clients to visualise their data and conduct analysis in an engaging, interactive environment, ultimately delivering strategic insight and driving better management decision making.

Dr James Apperly, founder of A&A, will become Managing Director of BDI. Dr Apperly, an Oxford graduate with a PhD in Neuroscience, established A&A in 2003 and has since worked with a number of blue-chip companies including BP and Chevron-Texaco US designing and implementing business intelligence systems. He previously worked at leading management consultancy, McKinsey & Company, where he advised international companies on issues of strategy, organisation, technology and operations.

Stuart Appleton, Cheerful's Chairman said, "The Business Intelligence market is maturing rapidly as companies understand the need for leading edge dynamic market analysis in order to identify trends and consider their responses ahead of competitors. Our combined creative talent and technological know-how, in tandem with a deep understanding of the needs of business communications will enable BDI to deliver powerful, highly sophisticated, bespoke products to this market, unlike any other currently available.

"Dr Apperly, who will front the business, has considerable experience and excellent contacts in the corporate arena. He will be a great asset to the business so we are delighted to have him on the team."

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Notes

Cheerful Scout is an award-winning multidisciplinary creative consultancy specialising in devising and delivering effective and original corporate communication solutions. Its three key areas of expertise are DVD, Production and Events.

Whilst its thriving DVD department creates impressive titles for the corporate and retail markets, Cheerful Scout's production team conceives and produces unique and engaging film and video for a wide range of blue chip corporations and organisations. The Company also stages live events and conferences for its clients and is able to develop previously impossible concepts and formulas using its revolutionary presentation and visualisation system, nVision (www.nvisiontec.com).